

Message Text

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PAGE 01 LAGOS 00228 121430Z

42

ACTION AF-18

INFO OCT-01 ARA-16 EUR-25 EA-11 NEA-10 ISO-00 IO-14

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 RSC-01 PRS-01 SPC-03 SS-20 USIA-15 EB-11 COME-00

INT-08 TRSE-00 OMB-01 SCI-06 SCEM-02 CEA-02 CIEP-02

AID-20 STR-08 DRC-01 /233 W
----- 086207

R 111444Z JAN 74

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 2346

INFO AMERICAN INTERESTS SECTION ALGIERS

AMEMBASSY ADDIS ABABA

AMEMBASSY CARACAS

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LONDON

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

AMEMBASSY VIENNA

OECD PARIS 3828

UNCLAS LAGOS 0228

E.O. 11652: N/A

TAGS: ENRG, NI

REF: LAGOS 00038

1. FMG REVEALED THIS WEEK BASIS OF NEW POSTED PRICE ANNOUNCED
DECEMBER 31 FOR FIRST QUARTER 1974. BASE POSTING IS DOLS 11.651
PER BARREL, SAME AS NOW USED FOR ALL PERISAN GULF CRUDE OILS.
FMG ALSO ADOPTED NEW PERISAN GULF SYSTEMS FOR CALCULATING
GRAVITY AND FREIGHT DIFFERENTIALS. AS IN GULF, SULFUR PREMIUM
WAS CARRIED OVER WITHOUT CHANGE.

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PAGE 02 LAGOS 00228 121430Z

WM THE NEW METHOD RESULT IN FOLLOWING COMPONENTS OF POSTED

PRICE FOR THE TWO NIGERIAN CRUDES AS COMPARED TO
ILLUSTRATIVE PERSIAN GULF CRUDES:

CRUDE	GRAVITY	BASE	-----DIFFERENTIALS----			TOTAL
			SULFUR	FREIGHT		
ARABIAN LIGHT	34 DEGREE	11.651	0	0	0	11.651
ABU DHABI MURBAN	39 DEGREE	11.651	.300	.700	.015	12.636
NIGERIAN LIGHT	34 DEGREE	11.651	0	1.300	1.740	14.691
NIGERIAN MEDIUM	27 DEGREE	11.651	-.210	1.300	1.740	14.481

3. COMMENT. NIGERIAN DECISION TO ADOPT PERSIAN GULF PRICES IS
OBVIOUSLY INTENDED REMOVE FMG FROM KINDS OF CONTROVERSY WHICH
HAVE OCCURRED IN PAST WHEN DIFFERENT COUNTRIES' PRICES HAVE
CHANGED AT DIFFERENT RATES. IT LOWERS NIGERIAN PRICES RELATIVE
TO THOSE OF LIBYA, VENEZUELA, AND INDONESIA BUT SETS A PATTERN
FOR AUTOMATIC INCREASES IN STEP WITH PERSIAN GULF.
CROSBY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
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Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 11 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
Enclosure: n/a
Executive Order: N/A
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Review Comment: n/a
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Review Exemptions: n/a
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Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Transfer Date:
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Secure: OPEN
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To: STATE
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Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005